

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2525
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2525, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PERSONS WITH DISABILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a Medicaid buy-in program, no later than July 1, 2017, to support the employment of individuals with disabilities while allowing them to retain their Medicaid benefits.

In addition, the measure appropriates \$165,000 for fiscal year 2014-2015 to the University of Hawaii Center on Disability Studies to prepare and conduct outreach and training relating to the Medicaid buy-in program.

Your Committee received written comments in support of this measure from the Hawaii State Rehabilitative Council; Hawaii Disability Rights Center; Community Alliance for Mental Health; Arc of Kona; and two individuals. Written comments were submitted by the Department of Human Services.

Your Committee finds that Hawaii is one of only five states that has not established a Medicaid buy-in program for persons with disabilities. Your Committee further finds that many Medicaid recipients find it difficult to increase their income without disqualifying themselves from Medicaid. Establishing a Medicaid buy-in program will remove disincentives for Medicaid recipients to increase their income while allowing them to pay



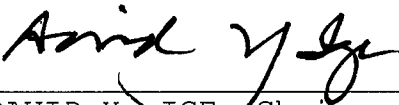
taxes, draw less benefits overall, and provide a cost savings to the State.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to encourage further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2525, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2525, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

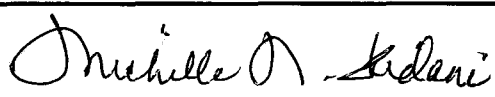


DAVID Y. IGE, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2525, SD1	HMS, WAM	2-5-14
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313
Members	Aye	Aye (WR)
Nay	Excused	
IGE, David Y. (C)	✓	
KIDANI, Michelle N. (VC)	✓	
CHUN OAKLAND, Suzanne	✓	
DELA CRUZ, Donovan M.	✓	
ENGLISH, J. Kalani	✓	
ESPERO, Will	✓	
KAHELE, Gilbert	✓	
KEITH-AGARAN, Gilbert S.C.	✓	
KOUCHI, Ronald D.	✓	
RUDERMAN, Russell E.	✓	
THIELEN, Laura H.	✓	
TOKUDA, Jill N.		✓
SLOM, Sam	✓	
	12	0
		0
		1
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
		Goldenrod Committee File Copy

*Only one measure per Record of Votes